

MANAGEMENT MEMO

SUBJECT: VEHICLE SELF-INSURANCE RATES 1999/2000 FISCAL YEAR	NUMBER: 99-07
	DATE ISSUED: 06/04/99
	EXPIRES: 06/04/00
REFERENCES: Government Code Sections 11290(a), 16378, 16379 Supersedes Management Memo 98-07	ISSUING AGENCY: Department of General Services

State Motor Vehicle Self-Insurance rates for the 1999/2000 fiscal year will again experience an overall reduction in rates. The rates will decrease by an average of three percent over 1998/99 rates. The State Motor Vehicle Self-Insurance Program is funded through premium charges to state agencies that own vehicles. Under self-insurance, the participation of a large group of state agencies helps to ease dramatic increases or decreases in premium amounts required. However, because specific rates are largely determined by each department's individual claims history, some departments may experience decreases greater than the statewide average, while others will experience an increase.

Due to fluctuations in the state's vehicle inventory, the 1999/2000 rates are based on premium amounts determined from the claims history of each department, in conjunction with the *total* claims history of the state. Rates and inventory are calculated and taken annually, but are not used to determine the total premium required. If individual departments wish to revise their vehicle inventory during the fiscal year, the total premium amount would not change, even though the vehicle rate could change depending upon the new inventory. The vehicle rate information for fiscal years 1998/99 and 1999/2000 and the vehicle inventory of June 30, 1998 are shown below for departments who wish to use the vehicle rate information internally or for comparison purposes. For information purposes, vehicle inventories are prepared by departments and submitted annually to the Department of General Services, Office of Fleet Administration.

For departments which are included in the "All Others" category (those not in the 21 largest as listed), the premium amounts required will be calculated using the total premium required by those departments and the June 30, 1998 vehicle inventory. This will assure that the total premium necessary to meet each department's amount due will be paid into the fund. As in the case with the 21 largest departments, revisions to the vehicle inventory for departments in the "All Others" category will not change the total premium due.

Specific premiums, vehicle inventories, and vehicle rates are as follows:

<i>Department</i>	<i>1998/99</i>		<i>1999/2000</i>		
	<i>Vehicle Rate</i>	<i>Premium Requirement</i>	<i>Vehicle Inventory</i>	<i>Vehicle Rate</i>	<i>Premium Requirement</i>
<i>Conservation Corp</i>	\$159	\$ 76,783	483	\$183	\$ 88,300
<i>Consumer Affairs</i>	117	116,168	1,071	120	128,894
<i>Corrections</i>	151	724,488	5,029	159	800,473
<i>DDS</i>	162	78,846	535	162	86,731
<i>Distr Agr Associations</i>	85	70,476	823	96	78,815
<i>EDD</i>	122	51,141	429	133	56,972
<i>Fish & Game</i>	212	361,150	1,781	187	332,548
<i>Food & Agriculture</i>	773	493,641	628	550	345,549
<i>Forestry</i>	147	428,875	2,924	157	459,201
<i>General Services</i>	248	1,370,197	5,821	256	1,492,751
<i>Highway Patrol</i>	1,353	5,221,214	3,904	1,234	4,817,629
<i>Justice</i>	429	347,732	750	391	292,875
<i>Lottery</i>	369	114,140	309	400	123,690
<i>Mental Health</i>	111	69,636	635	91	58,058
<i>Motor Vehicles</i>	197	69,033	358	216	77,488
<i>Parks & Rec</i>	240	350,333	1,419	266	377,470
<i>Prison Industry Authority</i>	80	76,560	990	80*	79,200
<i>State University</i>	132	359,905	2,738	125	342,651
<i>Transportation</i>	608	6,012,554	9,681	602	5,832,436
<i>Water Resources</i>	192	240,027	1,264	169	213,637
<i>Youth Authority</i>	267	163,236	593	254	150,742
<i>All Others</i>	<u>534</u>	<u>794,412</u>	<u>1,619</u>	<u>522</u>	<u>844,655</u>
 <i>Total Premium, Inventory, & Average Rate</i>	 \$408	 \$17,590,547	 43,784	 \$390	 \$17,080,765

* Minimum rate per vehicle = \$80

For further information regarding the Vehicle Self-Insurance Rates, please call Jan Dietz, Office of Risk and Insurance Management, at (916) 322-8970 or CALNET 492-8970.



CLIFF ALLENBY, Interim Director
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